

BEFORE THE TAX COMMISSION OF THE STATE OF IDAHO

In the Matter of the Protest of)	
)	DOCKET NO. 19905
[REDACTED],)	
)	DECISION
Petitioners.)	
_____)	

On September 29, 2006, the Tax Discovery Bureau (Bureau) of the Idaho State Tax Commission issued a Notice of Deficiency Determination to [Redacted] (taxpayers) proposing income tax, penalty, and interest for taxable years 2000 and 2001 in the total amount of \$3,722.

The taxpayers filed a timely appeal. They did not request a hearing. The Tax Commission has reviewed the file and hereby issues its decision based upon the information contained in the file.

Because Tax Commission records showed the taxpayers met the state income tax filing requirements and had not filed their Idaho return for 2000 and 2001, the Bureau attempted to contact them for clarification. The taxpayers did not respond.

[Redacted] Idaho Code § 63-3045(1)(a) states:

63-3045. Notice of redetermination or deficiency -- Interest. (1) (a) If, in the case of any taxpayer, the state tax commission determines that there is a deficiency in respect of the tax imposed by this title, the state tax commission shall, immediately upon discovery thereof, send notice of such deficiency to the taxpayer by registered or certified mail or by other commercial delivery service providing proof of delivery, whichever is the most cost efficient. The notice shall be sent to the taxpayer's last address known to the state tax commission. The notice of deficiency shall be accompanied by an explanation of the specific reason for the determination and an explanation of the taxpayer's right to appeal. Within sixty-three (63) days after such notice is mailed, the taxpayer may, at his option, file a protest in writing with the state tax

commission and obtain redetermination of the deficiency.

The Bureau determined the taxpayers had a requirement to file resident individual income tax returns for 2000 and 2001. The Bureau prepared returns on the taxpayers' behalf and sent them a Notice of Deficiency Determination. In response to the notice, the taxpayers sent a letter of protest advising they would look for the two returns. They mentioned they are now divorced.

The Bureau sent the taxpayers a letter acknowledging their protest. They were allowed additional time. However, when the promised returns did not arrive, the taxpayers' file was transferred to the Legal/Tax Policy Division for administrative review. The taxpayers did not respond to a letter from the Tax Policy Specialist advising them of their appeal rights.

The taxpayers have not filed their 2000 and 2001 Idaho income tax returns and have submitted nothing that would cast doubt on the Bureau's determination that was based on records retained by [Redacted] the Tax Commission. [Redacted]

The Bureau allowed the taxpayers credit for \$337 of withholding for tax year 2001. Subsequent to the NODD, \$22 of additional withholding was identified. The tax amount is reduced by the \$22 credit. The Bureau properly allowed \$584 of withholding identified in Tax Commission records to offset a portion of the 2000 Idaho tax.

The interest and penalty added by the Bureau pursuant to Idaho Code §§ 63-3045 and 63-3046 was reviewed and found to be proper and in accordance with Idaho Code.

A Notice of Deficiency Determination issued by the Idaho State Tax Commission is presumed to be accurate. Parsons v. Idaho State Tax Com'n, 110 Idaho 572 (Ct. App. 1986). Having presented no information in support of their argument, the taxpayers have failed to meet their burden of proving error on the part of the deficiency determination. Albertson's, Inc. v. State, Dept. of Revenue, 106 Idaho 810 (1984).

WHEREFORE, the Notice of Deficiency Determination dated September 29, 2006, is hereby MODIFIED and, as so modified, is APPROVED, AFFIRMED, and MADE FINAL.

IT IS ORDERED and THIS DOES ORDER that [Redacted] pay the following tax, penalty, and interest:

<u>YEAR</u>	<u>TAX</u>	<u>PENALTY</u>	<u>INTEREST</u>	<u>TOTAL</u>
2000	\$1,194	\$299	\$468	\$1,961
2001	1,162	291	366	<u>1,819</u>
			TOTAL DUE	<u>\$3,780</u>

Interest is computed through July 1, 2007.

DEMAND for immediate payment of the foregoing amount is hereby made and given.

An explanation of taxpayers' right to appeal this decision is enclosed with this decision.

DATED this ____ day of _____, 2007.

IDAHO STATE TAX COMMISSION

COMMISSIONER

CERTIFICATE OF SERVICE BY MAIL

I hereby certify that I have on this _____ day of _____, 2007, served a copy of the within and foregoing DECISION by sending the same by United States mail, postage prepaid, in an envelope addressed to:

[REDACTED]

Receipt No.

[REDACTED]
